

Department of Energy

Washington, DC 20585

August 31, 2006

Theodore E. Roberts, Esq. Sempra Energy Solutions 101 Ash Street, HQ13D San Diego, CA 92101

RE: Application to Renew Authorization to Export Electric Energy

To Mexico, Docket No. EA-284-A

Dear Mr. Roberts:

This is in response to your application of August 11, 2006, requesting that the Department of Energy (DOE) renew Sempra Energy Solution's (SES) authority to export electric energy to Mexico contained in Order No. EA-284 and expedite the processing of the application or, in the alternative, grant a temporary extension of its current export authority in order to prevent any lapse in export authority. SES's existing authorization is due to expire on September 4, 2006.

The renewal proceeding has been docketed as EA-284-A. Notice of the renewal application will soon be published in the *Federal Register* and DOE has agreed to shorten the normal 30-day public comment period in order to expedite its processing. However, in light of the lateness in the filing of SES's application, a final determination in the EA-284-A renewal proceeding can not be made by the September 4th expiration date.

However, DOE is aware that SES has power sales contracts with customers in Mexico and is concerned that an interruption in SES's export authority may cause operational problems for those international customers. DOE has therefore decided to grant SES a temporary extension of its export authority in order to insure that those customers in Mexico that contracted in good faith to purchase electricity from SES will not be penalized for the lack of due diligence on the part of SES. Accordingly, this letter hereby orders that the authority to export electricity from the United States to Mexico contained in Order No. EA-284 is extended until such time as DOE takes final action in the EA-284-A renewal proceeding.

DOE calls SES's attention to paragraph (K) in Order EA-284 that permits an application for renewal to be filed within six months prior to expiration. DOE expects SES to initiate appropriate internal monitoring procedures on the status of its authorization so as to make timely application for renewal in the future. This letter also puts SES on notice that failure to provide DOE with at least 60 days to process an application for renewal and

provide adequate opportunity for public comment in the future may result in a gap in SES's authority to export electricity to Mexico and in its ability to satisfy its contractual obligations.

Please do not hesitate to call me at (202) 586-5935, if you have any questions on this matter.

Sincerely,

Anthony J. Como

Director, Permitting and Siting Office of Electricity Delivery and

Energy Reliability